



**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

P.D. ACCOUNTS-Study Team to streamline the maintenance of P.D. Accounts - Recommendations of the Committee to integrate the functions of adjustments, accounting and reconciliation and entrusting these functions to the Treasuries and Accounts Department-Accepted-Orders-Issued.

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**FINANCE (DCM.II) DEPARTMENT**

**G.O.Ms.No. 245**

**Dated: 30-08-2013**

**Read the following:-**

1. G.O.Ms.No.328, Finance (Admn.I) Dept, dt: 22-09-1971.
2. G.O.Ms.No.145, Finance & Planning (FW-Admn.II) Dept, dt: 08.05.1980.
3. G.O.Ms.No.311, Finance & Planning (FW-Admn.I) Dept, dt: 28.10.1980.
4. G.O.Ms.No.51, Finance & Plg (FW-W&M.I) Dept. dated: 02.03.1987.
5. G.O.Ms.No.43, Finance and Planning (W&M) Dept. dated 22.04.2000.
6. G.O.Ms.No.140, Finance (BG) Dept, dt: 02.06.2005.
7. Memo.No.351/81/DCM.II/2012, dt: 04.08.2012.
8. G.O.Rt.No.3641, Finance (DCM.II) Department, dt: 21.08.2012.
9. Lr.No.32077-A/253/A1/DCM.I/2012, dt: 11.12.2012 & 21.12.2012.
10. Report of the Study Team on PD Accounts.
11. GO.Ms.No.2286, Finance (DCM.II) Dept, dt: 22.05.2013.

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In the reference 1<sup>st</sup> read above, orders have been issued on the formation of Pay & Accounts Office, Hyderabad with effect from 01.10.1971 duly taking over the Pay and Accounts functions relating to State Government transactions and only treasury functions relating to Central Government transactions arising in the Twin Cities, which used to be carried out by the Accountant General, Andhra Pradesh, Hyderabad with effect from 01.10.1971.

2. In the reference 2<sup>nd</sup> read above, orders have been issued creating the District Treasury Office, Hyderabad (Urban) duly entrusting work relating to issue of stamps, maintenance of PD Accounts, acceptance of remittance from private parties on Government Accounts, transactions of receipts, revenue deposits and other accounts taking place at SBH, Gunfoundry, Hyderabad in respect of DTO (Urban), Hyderabad and also maintenance of detailed accounts & rendering of Accounts to the AG, AP, Hyderabad.

3. In the reference 3<sup>rd</sup> read above orders have been issued on the transactions to be conducted by the District Treasury Officer (Urban), Hyderabad entrusting work on all varieties of stamps including service postage, old age pensions in respect of pensioners of twin cities, maintenance of PD Accounts in respect of all administrators in twin cities, certain Gram Panchayats, watch over drawing accounts of cheque drawing officers against letters of credit and the claims relating to the refunds of Revenue and repayment of Deposits in respect of the credits taking place on or after 01.11.1980 will be entertained and settled by District Treasury (Urban), Hyderabad and the claims relating to the period prior to 01.11.1980 will continue to be dealt with by the Pay & Accounts Officer, Hyderabad.

4. In the reference 7<sup>th</sup> read above, orders have been issued constituting a Study Team for streamlining the maintenance of Personal Deposit Accounts in the State.

5. The Committee has pointed out certain shortcomings in procedures followed in adjusting, drawl, accounting, reconciliation and lapsing of funds in respect of P.D Accounts in Hyderabad and recommended integration of the agencies looking after the three areas of adjustments, accounting and reconciliation of PD Accounts. It recommended that, the District Treasury, Hyderabad (Urban), which is discharging the functions of accounting and reconciliation may be entrusted with the role of auditing and passing of the adjustment bills preferred by the Drawing and Disbursing Officers/PD Administrators of Heads of the Department. The Committee elaborated the workflow of District Treasury Officer, Hyderabad (Urban) after integration of functions.

6. Government after careful consideration, have accepted the above recommendations and in partial modifications of the orders issued in GOs first to third read above hereby order that :—

- a). The District Treasury, Hyderabad (Urban), which is discharging the functions of accounting and reconciliation, shall be entrusted with the role of auditing and passing of the adjustment bills preferred by the Drawing and Disbursing Officers / P.D Administrators of Head of the Department with effect from 01.09.2013.
- b). The following shall be the workflow of the District Treasury, Hyderabad (Urban) after integration:
  - i). The Finance Department authorizes the Director of Treasuries and Accounts Department to open a new P.D. Account in favour of the P.D. Administrator, as stipulated in the G.O 6<sup>th</sup> read above.
  - ii). On the instructions of the Director of Treasuries and Accounts, the District Treasury, Hyderabad(Urban) duly making an entry in the Register to be maintained, shall assign P.D. Account number, in consultation with SBH for transmission of amount to the unit offices through unique identity code for their day to day contingent expenditure and other inevitable payments.
  - iii). The DDO after the issue of administrative sanction by the concerned administrative Department of the Secretariat prefers a bill on the District Treasury, Hyderabad (Urban) instead of the PAO, Hyderabad. The District Treasury, Hyderabad (Urban), after normal scrutiny of the claim as per treasury and audit checks, passes the claim for payment by way of adjustment and credits the amount to the P.D account concerned. Simultaneously, it issues a Letter of Credit authorizing the Bank to admit expenditure to the extent mentioned therein.
  - iv). In respect of receipts into the P.D account in any mode other than that mentioned at para.6(b)(iii) above, the administrator shall send a requisition for issuing of Letter of Credit out of the balances available in the P.D account concerned.
  - v). The State Bank of Hyderabad, Treasury Branch, Gunfoundry, Hyderabad shall honour cheques issued by the P.D administrator concerned as per the existing procedure, to the extent of the amount authorized through Letter of Credit by the District Treasury, Hyderabad (Urban).

- vi). A Letter of Credit is valid till the end of the financial year concerned. Any unspent amount out of it shall be lapsed and the Bank shall not admit further drawals until a fresh Letter of credit is received by it.
  - c). The DTO (Urban) shall follow the online payments through RTGS/NEFT, as ordered in the reference 7<sup>th</sup> & 9<sup>th</sup> read above.
7. These orders come into force with effect from 01.09.2013 and all the bills of payment by way adjustment to P.D accounts in Hyderabad shall be preferred to the District Treasury, Hyderabad.
8. The Director of Treasuries and Accounts shall take further necessary action.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

**PUSHPA SUBRAHMANYAM**  
PRINCIPAL SECRETARY TO GOVERNMENT (IF)

To  
The Director of Treasuries & Accounts, A.P., Hyderabad.  
The Pay & Accounts Officer, Hyderabad.  
The Chief General Manager, SBH, Treasury Branch, Gunfoundry, Hyderabad.  
The Director of State Audit, A.P., Hyderabad.  
The Joint Director, Finance (Internal Audit) Department.  
The Deputy Director, O/o.the DTO, Hyderabad (Urban).  
All the P.D.Account Administrators.  
Copy to the Principal Accountant General (A&E), Hyderabad.  
Copy to all the Secretariat Departments.  
Copy to O.S.D to Hon'ble Minister (Finance).  
Copy to the Members of the Study Team constituted vide  
G.O.Ms.No.3641, Finance (DCM.II) Department, dt: 21.08.2012.  
Copy to S.F/S.Cs.

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